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Security Council

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Wednesday, 8 November 2006, 10 a.m.

New York

President:	Mr. Voto-Bernales	(Peru)
Members:	Argentina	Mr. Mayoral
	China	Mr. Li Junhua
	Congo	Mr. Gayama
	Denmark	Ms. Løj
	France	Mr. Lacroix
	Ghana	Nana Effah-Apenteng
	Greece	Mr. Vassilakis
	Japan	Mr. Shinyo
	Qatar	Mr. Al-Bader
	Russian Federation	Mr. Shcherbak
	Slovakia	Mr. Matulay
	United Kingdom of Great Britain and Northern Ireland	Ms. Pierce
	United Republic of Tanzania	Mr. Manongi
	United States of America	Ms. Wolcott Sanders

Agenda

The situation in Bosnia and Herzegovina

Letter dated 12 October 2006 from the Secretary-General addressed to the President of the Security Council (S/2006/810)

This record contains the text of speeches delivered in English and of the interpretation of speeches delivered in the other languages. The final text will be printed in the *Official Records of the Security Council*. Corrections should be submitted to the original languages only. They should be incorporated in a copy of the record and sent under the signature of a member of the delegation concerned to the Chief of the Verbatim Reporting Service, room C-154A.

06-60815 (E)

The meeting was called to order at 10.15 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Bosnia and Herzegovina

Letter dated 12 October 2006 from the Secretary-General addressed to the President of the Security Council (S/2006/810)

The President (*spoke in Spanish*): I should like to inform the Council that I have received letters from the representatives of Bosnia and Herzegovina and Finland, in which they request to be invited to participate in the consideration of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the consideration without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

I request the Chief of Protocol to escort His Excellency Mr. Adnan Terzic, Chairman of the Council of Ministers of Bosnia and Herzegovina, to a seat at the Council table.

Mr. Adnan Terzic, Chairman of the Council of Ministers of Bosnia and Herzegovina, was escorted to a seat at the Council table.

The President (*spoke in Spanish*): On behalf of the Council, I extend a warm welcome to the Chairman of the Council of Ministers of Bosnia and Herzegovina, Mr. Adnan Terzic.

At the invitation of the President, Ms. Lintonen (Finland) took the seat reserved for her at the side of the Council Chamber.

The President (*spoke in Spanish*): In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Christian Schwarz-Schilling, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

It is so decided.

I invite the High Representative to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

I should like to draw the attention of the members of the Council to document S/2006/810, which contains the text of a letter dated 12 October 2006 from the Secretary-General transmitting the thirtieth report on the implementation of the Peace Agreement on Bosnia and Herzegovina. I should also like to draw the Council's attention to document S/2006/809, which contains the text of a letter dated 12 October 2006 from the Secretary-General transmitting the seventh report on the activities of the European Union military mission in Bosnia and Herzegovina.

At this meeting, the Security Council will hear a briefing by Mr. Christian Schwarz-Schilling, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina. I now give him the floor.

Mr. Schwarz-Schilling: I first spoke to the Council six months ago, shortly after becoming High Representative and European Union Special Representative for Bosnia and Herzegovina. On that occasion, I set out the importance of handing over greater responsibility to the authorities of Bosnia and Herzegovina and how I intended to place the principle of local ownership as a guideline of the international community for the normalization and progress of this country towards Euro-Atlantic integration.

Half a year later, I wish to discuss with the Council the complex reality of putting that principle into practice. I will also describe how we are seeking to help Bosnia and Herzegovina make the transition beyond peace implementation towards Euro-Atlantic integration. I will also highlight areas where progress has been made and areas where it has not, as well as outstanding issues that need to be addressed.

The report before the Council covers the first six months of this year and ends with the decision of the Peace Implementation Council (PIC) Steering Board to close the Office of the High Representative at the end of June 2007. Developments since that decision have demonstrated the scale of the challenge involved in moving to local ownership, and will have to be

considered by the PIC Steering Board when, early next year, it reviews its decision, taking into account the overall situation in Bosnia and Herzegovina and the region.

Bosnia and Herzegovina's reality today is in many ways uncomfortable. For Bosnian politicians it has been difficult to move forward on the road of ownership and to avoid the temptation of blaming political opponents or the international community for the lack of progress. For the citizens of Bosnia and Herzegovina it has been frustrating to see the reform process slow. Fortunately, there is considerable goodwill on all sides in Bosnia and Herzegovina. Unfortunately, goodwill is not universal, and opportunists have sought to exploit the difficulties of transition to play on old fears of the people. That makes it harder for those politicians with the courage to take on greater responsibility for governing the country and serving the citizens. One can also see in quarters of the international community that now is not the time to step back and hand over the reins. We might need more time and more patience in the process.

Yet in these testing times, the international community must hold its course and continue handing over responsibility gradually. It must not be done so quickly that the leaders of Bosnia and Herzegovina are overwhelmed and unable to take the reins. But, at the same time, it must not be done so slowly that the country's leaders fail to develop a sense of responsibility for Bosnia and Herzegovina's situation, with a corresponding sense of duty towards the citizens who elected them.

Bosnia and Herzegovina is in many respects fortunate, since the direction in which it is travelling is clear. The European Union (EU) is offering the prospect of membership to Bosnia and Herzegovina and the countries of the Western Balkans, as it did so successfully with the eight Central European countries that joined in 2004, as well as Bulgaria and Romania, which will join next year. If there is one issue that the overwhelming majority of people in Bosnia and Herzegovina agree on, it is that their country's future lies in Europe. That is very much the case, even though political leaders in Republika Srpska have on occasion asserted that they were prepared to sacrifice Bosnia and Herzegovina's European future rather than make compromises on certain issues. That European perspective should therefore become the driving force for the country's recovery. The incentive to reform is the guarantee of future prosperity.

For that to occur, the country's politicians have to take the necessary steps to reach European standards in main areas of the State and civil society. In that connection, in the negotiations with the European Commission on a Stabilization and Association Agreement, the institutions of Bosnia and Herzegovina have started with high professionalism. The Bosnian negotiators excelled at negotiating the technical side of the Agreement — a promising sign of their capacity and willingness to do what is required over the next few years to complete EU integration.

Allow me here to pay tribute to the role played by Prime Minister Adnan Terzić, who will address the Council as soon as I finish, and the lead negotiators, Igor Davidovic and Osman Topcagic.

There is, however, also a political side to the Agreement, and political reforms — which are a precondition for completing the stabilization and association process — have stalled. The necessary parallel process of implementation of the outstanding reforms by local politicians has not happened. In part, the reform process has stalled because of the inevitable need for a period of adaptation and adjustment to the concept of ownership and the ability to put it into practice. In part, moreover, it has stalled because of the elections that took place on 1 October. Those inevitably involved a period of campaigning and election rhetoric that moved away from the problem-solving spirit of compromise and cooperation needed to undertake sensible reforms to fulfil the requirements of Euro-Atlantic integration.

However, failure to complete public broadcasting legislation and insufficient progress on a higher education law and on legislation essential to fiscal sustainability are clearly slowing Bosnia and Herzegovina's progress towards Europe.

One of the key outstanding requirements for the Stabilization and Association Agreement is police restructuring. That is needed for Bosnia and Herzegovina to progress towards EU integration, and, above all, it is needed for the sake of the citizens of Bosnia and Herzegovina.

A Police Restructuring Directorate has been working since January and is scheduled to deliver an implementation plan at the end of this month, based on

three principles drawn up by the European Commission. Securing political agreement on this plan will be a key test of the capacity of local institutions to assume ownership. Police restructuring and the other reforms are not small matters. They go to the heart of Bosnia and Herzegovina's ability to develop and grow, to function effectively and to serve its citizens properly.

Another area that goes to the heart of Bosnia and Herzegovina's identity, past and future, is that of constitutional reform. The Dayton constitution was created in 1995 to end a war. It must evolve to meet the demand for a functional, fiscally sustainable State able to join Euro-Atlantic institutions and a democratic State accepted as legitimate by all who live in it.

Party leaders on all sides came together regularly throughout 2005 and early 2006. After hundreds of hours of sitting together, discussing where compromises could be made and where consensus was not yet possible, they agreed a first package of constitutional amendments in March. Despite widespread support for that package and optimism that Bosnia and Herzegovina's politicians were ready to take that first step, the initiative failed — by just two votes — to obtain the required two-thirds majority in Parliament.

That was a tough blow to those who dared to take a step in a difficult but vital direction. The setback was also subsequently exploited by opponents of the constitutional amendments, who chose to step out of what had been a constructive negotiating process.

To be sure, the constitutional reform package is less than perfect. It is, however, a reasonable first step towards more functional State structures better able to meet European standards. It also represents the level of compromise and progress that can be made at this time. This imperfect political reality of compromise to make progress is what ownership means. That is how a better future can be built gradually. There are no easier alternatives, and there are no perfect political solutions waiting around the corner. The politicians of Bosnia and Herzegovina must learn that such important issues can be dealt with only one step at a time, bringing all sides together within the process, identifying where compromises can be reached and where they cannot, and making the most of issues that can be taken forward rather than focusing on areas where progress cannot be made.

The parties that agreed to those amendments to the Constitution have to date fulfilled their commitments. As a result, there remains an opportunity for the amendments to be put before the newly elected parliament. Indeed, the issue of constitutional reform will rise to the top of the political agenda as soon as coalitions and governments have been formed. The Council should also be aware that it is likely to remain there for a long time, as the first package is but the beginning of a longer-term process that both Europe and the United States are committed to supporting.

Another issue that will not disappear is that of cooperation with the International War Crimes Tribunal for the former Yugoslavia in The Hague. The fact that war crimes suspects like Ratko Mladic and Radovan Karadzic remain at liberty after so many years continues to impede the peace process, undermines faith in the rule of law and demonstrates an unwillingness to face up to the crimes of the past.

The requirements for completing both peace implementation and EU integration are clear. Responsibility for both lies with the authorities of Bosnia and Herzegovina.

That brings us back to the issue of transition. It was in recognition of the progress that has been made in Bosnia and Herzegovina during the past 11 years that the decision of the Peace Implementation Council Steering Board to close the Office of the High Representative and to develop the role of Europe was taken in June. As a key element of the next phase, the European Union is reinforcing its presence in Bosnia and Herzegovina with a view to assisting the country on the road towards European integration by finalizing the Stabilization and Association Agreement and developing in particular the role of the EU Special Representative. In the process, many difficult issues, including in particular the rehabilitation of individuals removed from office by my predecessors, have to be resolved before the Office of the High Representative can be closed.

That brings me to an issue that the United Nations failed to resolve before closing down its International Police Task Force (IPTF) in Bosnia and Herzegovina in 2002. When I spoke to the Security Council in April I drew attention to the plight of police officers decertified by the IPTF without the possibility of review or appeal. On that occasion, I said that we should not preach the principles of the rule of law,

responsibility for reforms and ownership while at the same time contravening those principles in our own activities.

Since then, the members of my staff have worked together with their colleagues in both the EU Police Mission and the institutions of Bosnia and Herzegovina to help establish the facts and develop the outlines of a review process. In addition, a team of experts has visited New York twice this year and briefed the Secretariat, the Core Drafting Group and EU missions.

I intend to continue working on this issue together with the authorities of Bosnia and Herzegovina. I am also happy to consider any proposal that the United Nations puts forward. However, legally and politically, I am unable to resolve this issue. The ball is squarely in the Council's court.

I remain committed to the principle of ownership and hope to oversee that transition in line with the schedule I have described. I also recognize, however, the prudence of the Peace Implementation Council's decision to review and confirm its June decision to close the Office of the High Representative following a detailed and careful assessment early next year.

The irresponsible rhetoric that marred the election campaign has helped generate feelings of insecurity among parts of the population. That is a source of concern, as is the seeming inability of politicians in Bosnia and Herzegovina to resolve problems within existing constitutional structures in the absence of intrusive international involvement.

There is also the spectre of the decision on the final status of Kosovo looming over the entire region. Even if, strictly speaking, there is no linkage between that decision and the situation in Bosnia and Herzegovina, it has the potential to be destabilizing if the decision were to be delayed.

The way forward is, nevertheless, clear. The politicians of Bosnia and Herzegovina have an opportunity to demonstrate that the transition can proceed on schedule by taking the initiative, enacting and implementing the many outstanding reforms and, with international support, working towards building a prosperous European democracy.

The President (*spoke in Spanish*): I thank Mr. Schwarz-Schilling for his briefing.

I now invite His Excellency Mr. Adnan Terzić, Chairman of the Council of Ministers of Bosnia and Herzegovina, to take the floor.

Mr. Terzić (Bosnia and Herzegovina) (*spoke in Bosnian; English text provided by the delegation*): This is the third and last time that I shall address the Council in my capacity of the Chairman of the Council of Ministers of Bosnia and Herzegovina under my current mandate, which is coming to an end. My statement will cover not only the reporting period, but also the past four years of my mandate. I want to share with the Council all that has been done and all that took place in my country during that time, as well as some of the lessons that we have learned.

This is something that I consider to be significant for the positive development of the situation in Bosnia and Herzegovina, as well as for the Security Council's experience in international intervention. I will not go over the issues that the High Representative covered in his report, but I will try to offer a different approach and different interpretations of the events that have taken place in Bosnia and Herzegovina.

Four years ago, the Office of the High Representative was the sole body preparing and controlling laws and political processes in my country. It had the power to suspend or dismiss any individual who was found to be obstructing the implementation of the Dayton Peace Agreement. The electoral victory of the nationalists, as we were called — or rather stigmatized — by the international community, triggered disappointment and a huge disinclination among international stakeholders. Despite that, and on the basis of electoral promises of all parties, it proved possible for us to come together around a single platform for action. That platform consisted of the Euro-Atlantic prospects for Bosnia and Herzegovina — our future membership in the European Union (EU) and NATO. That is the top priority for the Government. As the first-ever Chairman of the Council of Ministers not subject to rotation, I offered that programme to the Government and to the citizens, as well as to international stakeholders, represented through the Office of the High Representative.

One of the greatest obstacles we faced back then was the overwhelming scepticism regarding our ability to be a part of such a process. Soon afterwards, our decisiveness was rewarded at the EU Thessaloniki Summit. That was a historic event for us, as the EU

confirmed the existence of the European perspective, both for us and for other countries in the region. That green light was an enormous incentive for us in all of our efforts to come.

Any attempt to achieve reform is bound to encounter resistance as soon as the Government announces it. Reforming the defence sector, the intelligence services and the customs and taxation departments, and corporate restructuring et cetera, are a true nightmare for any prime minister, the number-one thing you wish did not have to happen during your mandate. However, what we in Bosnia and Herzegovina have done has no precedent anywhere in the world. We stepped up to the plate without giving it a second thought, and opened a Pandora's box. The entity governments joined the State Government in this "mission impossible", and we started off by adjusting our laws to international norms and standards, especially those of the EU and NATO.

Our dedication was recognized. First, an EU feasibility study at the end of 2003 gave us a positive evaluation. The feasibility study defined the conditions that we had to fulfil in order to launch negotiations on the Stabilization and Association Agreement. After receiving the study, we first shortened the period envisaged for securing compliance from 12 months to six months. During that time, we passed 46 new laws and established 27 new State-level institutions, so as to meet EU requirements in 16 designated areas.

I am especially proud of the fact that none of those laws was either proclaimed or imposed by the High Representative — which had been the case before. The number of laws adopted was remarkable. However, in order to fully comprehend the degree of success achieved, one should know that the real success was making the State bodies function so that the State could exercise its jurisdiction and powers in key areas.

Just to give Council members a feel for what was accomplished: we set up a single economic space, and as of 1 January, we introduced one rate of value added tax, thereby eliminating much of the "grey economy". Our budget went through the roof. Over the past two years, foreign direct investment has continued to increase and our gross domestic product is a regional record-setter, with an incredible growth of 6 per cent. Furthermore, we united the existing intelligence services so that now, for the first time in history, they function under strict parliamentary control, in accordance with European standards. We also fulfilled all the technical criteria required for joining NATO's Partnership for Peace. The political condition, however, was not included.

With regard to defence reform, we managed to merge the armies and ministries of defence of the two entities and to introduce a single chain of command and parliamentary control over them. Furthermore, we had to reduce the number of troops by one third.

Through a process of judicial reform, we established the Office of the Prosecutor and the Court of Bosnia and Herzegovina. We formed a body called the High Judicial and Prosecutorial Council, which is in charge of securing the rule of law throughout the entire country. We are the first country in the region to satisfy international standards for processing war crimes cases. The War Crimes Chamber operates in line with the best of international standards and practices, and has already taken over several cases that were originally to be tried at The Hague.

To cut a long story short, Bosnia and Herzegovina managed, in three and a half years, to transform itself from a country struggling with conflict — a country with a clouded future that was occupied with the slow and inadequate implementation of the Dayton Peace Agreement — to one with credible capacities that is in the process of defining its contractual relationship with the EU.

My Council of Ministers has enabled the citizens of Bosnia and Herzegovina, and all of the international community, to commemorate 2005 not only as the tenth anniversary of the biggest massacre on European soil — the genocide in Srebrenica — or as the tenth anniversary of the end of the war in Bosnia and Herzegovina through the signing of the Dayton Agreement, but also as the year when, on 25 November, we closed the door on the claustrophobic era of Dayton and began a new door, the Brussels era for Bosnia and Herzegovina, by officially launching Stability and Association Agreement negotiations with the EU.

The processes that we undertook over a period of more than three years had their ups and downs. But the key leverage, which maintained progress throughout, was the cooperation between the State Government and the two entity governments. Now the biggest challenge is the third government — that of Republika Srpska.

Instead of joining the ongoing momentum in fulfilling the Stability and Association Agreement criteria, it has blocked every single reform process. It has unilaterally decided to withdraw all previously achieved agreements, and keeps threatening that it will take all the entity jurisdictions that have been transferred to the State back into its hands. Their obstructionist behaviour, their lack of respect for already assumed and agreed obligations, and their arrogant and aggressive campaign to get rid of all who do not think like them, which, by the way, most often takes place in blatant violation of countless laws, have brought about a radical change in the political atmosphere in the country. They challenge and mock the international community and those who represent it. At the brink of success, on the verge of the grand finale, after years of maintaining a proper course, it took them less than a couple of months to jeopardize everything that had been done.

The report presented by Mr. Schwarz-Schilling was a very detailed one, but I must say it has been shaded in too diplomatic a manner. All the positive processes in the country have been blocked by the Government of Republika Srpska. I am very reluctant to say all of this, as my previous experience tells me that the Council will not take my words as seriously as it should, had it not heard the same message from the High Representative himself. Nevertheless, I feel obliged to share this frustration with you. It is my duty as Prime Minister. It seems that the international community and the Office of the High Representative have decided to shut their eyes to these threats. They consider obvious separatist intentions to be merely "harmless" rhetoric.

It is unconceivable for me that the international community did not recognize that this "scenario" was drafted in Belgrade and that it coincided neatly with Bosnian elections. The Government of Republika Srpska and its Prime Minister are trying to block the progress of Bosnia and Herzegovina until Serbia is again ready to reopen the Stabilization and Association Agreement negotiations and fulfil its obligations. Even though I sincerely wish our Eastern neighbours every success in democratization and European integration, as that will be good for my country, it is very unclear at this moment when Serbia will make a crucial step forward.

The international community is obviously ready to tolerate this type of rhetoric, since it is just rhetoric, they say, neglecting the fact that rhetoric creates an atmosphere, which leads to an environment where it will be harder and harder to undo the damage it causes. Every day counts for the future of Bosnia and Herzegovina, and I strongly oppose any further wasting of time. The Government of Republika Srpska and its political sponsors are aware of this fact and they are trying to steal every single day they can. Nowadays, after the absolute victory of the Alliance of Independent Social Democrats in the elections in Republika Srpska, their obstructions continue and their President Dodik is now introducing the vocabulary of threat and blackmail — something I had hoped was left behind for good in the 1990s.

At the risk of losing the Council's attention here, I must add one final note. The policy of silent sympathy for Serbia, which has allegedly "lost" Montenegro and is about to "lose" Kosovo, directly enables the destruction of Bosnia and Herzegovina. This situation is soon to be further complicated by the Peace Implementation Council decision to close the Office of the High Representative. The processes of reform described previously and the real possibility of signing the Stabilization and Association Agreement with the European Union had in fact caused us to start thinking about the transformation of the mandate of the Office of the High Representative into the mandate of the Special Representative of the European Union, which will not be based on the flawed and claustrophobic Dayton framework, but on the platform of the Agreement and eventual European Union accession.

The Council knows that I was one of the loudest voices demanding that domestic officials assume responsibility. I also called for adjustments to international mandates in my country so that they would not exceed the actual need for foreign intervention. Therefore, please take my words as unbiased and unprejudiced. This is a serious matter and the future of my country is at stake. The developments over the past few months have proven, and they continue to prove, that the timing for the abolition of the Office of the High Representative was a fatal misstep.

The transformation of the Office of the High Representative into the Office of the Special Representative of the European Union must not start until we are certain that Bosnia and Herzegovina and its new Government are completely ready to sign the

Agreement, namely that we are ready to fulfil the expected conditions.

This phase will be the final test of political maturity of Bosnia and Herzegovina and her actual readiness to run important processes on her own. If we are unable at this time to comply with those criteria, is it not clear that the political situation in the country is so precarious that the presence of the High Representative is still necessary? We must not allow mistakes like this to happen. If we do, the mistake will blow up in our faces, and we risk jeopardizing the entire mission and previous achievements of the Office of the High Representative.

I would also ask the Council to consider the fact that signing the Agreement will provide the legal background and framework for the presence of the Special Representative of the European Union and for the execution of his mandate on our soil. Without it, we will put the Special Representative in a situation where he has to operate from within a legal vacuum, just as we did back in 1990s with the European Commission Monitoring Mission. This situation is not one we would like to see happen again.

Elections are always a challenge for a democracy. They are a test of political maturity and of a society as a whole. For the first time, this October, the State of Bosnia and Herzegovina single-handedly financed and organized general elections. We derive great satisfaction from that fact.

Keeping in mind some of the challenges I mentioned previously, it is crucial that a new Government be formed as soon as possible with a view to moving speedily along the path of Euro-Atlantic integration. That is the wish of all citizens of Bosnia and Herzegovina and all countries in the region. I think the messages sent by our international allies should also reflect this fact.

I cannot finish my statement without returning to the issue we have already discussed many times before, namely, the mistake and injustice that was done to Bosnian police officers by the United Nations International Police Task Force (IPTF) mission. These officers were deprived of an elementary human right when they were not allowed to appeal the IPTF decision against them before a court or other relevant body. Based on the activities undertaken so far and supported by the High Representative, I believe we all agree that depriving people of their human rights is a dangerous precedent that compromises the international community in its overall commitment to ensure the rule of law and its principles in Bosnia and Herzegovina, particularly in the light of principles promoted by the United Nations for more than 60 years. I believe, however, that we are now close to finding a solution. All I can do is ask the Council to facilitate the quick resolution of this matter.

I hope that the Security Council will take my address today into consideration, and that you will allow me, Mr. President, to express my appreciation for the energy Mr. Christian Schwarz-Schilling is investing in the implementation of priorities, and to thank you for the cooperation we have seen during the last four years of my mandate.

Mr. Shcherbak (Russian Federation) (*spoke in Russian*): Our delegation welcomes the participation at this meeting of the Security Council of the Chairman of the Council of Ministers of Bosnia and Herzegovina, Mr. Adnan Terzić.

We express our appreciation to the High Representative in Bosnia and Herzegovina, Mr. Schwarz-Schilling, for the thorough briefing that he has provided to the Security Council on recent developments in Bosnia and Herzegovina in the current stage of implementation of the Peace Agreement. For more than 10 years, the Dayton Agreements have proven to be an effective instrument for maintaining stability and the foundation for the processes for the comprehensive normalization in Bosnia and Herzegovina. This normalization involves, in particular, the priority issue of further strengthening the climate of trust and of constructive dialogue among the peoples of Bosnia and the patient search by the Bosnian parties themselves for mutually acceptable solutions in building a democratic and stable Bosnia and Herzegovina as an integral, multi-ethnic State composed of two entities and ensuring equality for its three peoples.

We positively assess the work of Mr. Schwarz-Schilling as High Representative. We note his balanced approach to the interests of the Bosnian parties and his focus on promoting achievement by those parties of compromise solutions on the basis of a constructive dialogue. We look forward to the High Representative continuing to adhere to that course. We intend to do everything we can to support the course of Mr. Schwarz-Schilling on non-application of the Bonn

powers and for the advancement of the Brussels agenda.

It is important to continue to do all we can to set political and diplomatic mechanisms in motion, including in terms of cooperation by the Bosnian parties with the International Criminal Tribunal for the Former Yugoslavia. We also give due credit to the efforts of the High Representative in promoting ongoing reform in Bosnia and Herzegovina. We do not see a problem in the fact that those reforms are not proceeding as quickly as one might have wished. We are convinced that, in pursuing reform, we need to proceed above all from the realities in the country and weigh each step ever more carefully, fully bearing the interests of all the Bosnian parties in mind.

Our delegation notes the generally successful conduct of the general elections in Bosnia and Herzegovina in October. Of course, it was not possible to avoid all of the rough edges. We are convinced that the High Representative, in his approach to overcoming those pitfalls, will in the future, in view of the fragility of the situation, continue to act with the utmost caution, carefully weighing every step.

We support the further advance of political and economic reforms in Bosnia and Herzegovina and the prompt transfer to the Bosnian parties of responsibility for the state of affairs in their country, also bearing in mind the tight deadlines for the upcoming closure of the Office of the High Representative. In that regard, we call for increased efforts in that area.

We also favourably assess the approach of Mr. Schwarz-Schilling to working closely with the United Nations in resolving the so-called problem of decertified police officers. We are prepared to look constructively at proposals for possible options for a resolution of that problem, which certainly must be based on the relevant decisions of the Security Council and remain within the clear framework of international law — first and foremost, the United Nations Charter.

Russia, as a member of the Steering Board of the Peace Implementation Council and of the Contact Group, will continue to work closely with the High Representative in playing an active and constructive role in the international facilitation of processes in Bosnia and Herzegovina. That work will support the efforts of their leadership to achieve a comprehensive normalization in the country, especially in the interest of ensuring long-term stability in the Balkan region.

Mr. Vassilakis (Greece): As this is the first time I am taking the floor this month, it is with great pleasure that I wish you, Sir, every success in your duties as President of the Council during the month of November. I must assure you that you have my country's full support.

I also wish to thank Ambassador Oshima and his team for last month's excellent stewardship of the Council during difficult moments.

I would like to warmly welcome Prime Minister Adnan Terzić and thank him for his intervention. I also would like to welcome once again High Representative Schwarz-Schilling and thank him for his thorough presentation on the situation in Bosnia and Herzegovina.

Greece fully associates itself with the statement to be made later on by the Permanent Representative of Finland on behalf of the European Union.

In this, his first report to the Security Council, the High Representative has outlined how he views his mandate and his goals for Bosnia and Herzegovina in the upcoming period, given current conditions and taking into consideration the situation on the ground. He rightfully believes that now is the time to intensify the transformation of the country. He explains his role as one of advising and overseeing as the country assumes ownership and full responsibility, but also as one of advocating on behalf of the citizens concerning their principal priorities. We fully support that new outlook. It is high time that Bosnia and Herzegovina completed its long transformation and dynamically pursued its future within the Euro-Atlantic family.

I have a few comments on the High Representative's report and presentation. The satisfactory conduct of the recent elections is a good sign of the growing maturity of society and institutions. We hope for the formation of a stable Government in the near future. Bosnia and Herzegovina still has some way to go and cannot afford to lose more time. Already, as the High Representative described in detail, the pre-election period weighed substantially against the acceleration of progress.

It is regrettable that, after the initial success last March, the lower house of Parliament failed to adopt the package of constitutional reforms. It is even more regrettable that this issue has polarized political life so

much, when a new Constitution should bring people together in their effort to build a better country.

It is a pity and a waste of time and effort that the combination of that issue, together with the atmosphere of the pre-election campaign, resulted in the slowing down in critical reform areas noted by Mr. Schwarz-Schilling.

The Bosnian authorities are, I am sure, fully aware of what needs to be done and how. Police restructuring, the completion of public broadcasting reform and full cooperation with the International Criminal Tribunal for the Former Yugoslavia are just three of the main preconditions for further progress in the negotiations for the Stabilization and Association Agreement. There is, of course, much more. The pace of economic reform must pick up again and public spending must be curbed; public administration reform must also continue; the issue of education reform is central to all planning for the future of Bosnia and Herzegovina; progress in the unification of the Mostar city administration must resume; and full compliance with the decisions of the Human Rights Chamber must be ensured. Those are but a few main priorities.

Perhaps what needs to happen first, though, on the part of the Bosnia and Herzegovina leadership and political establishment is the realization and acknowledgment that the completion of reforms is the only way to achieve the full transformation of the country. Although it requires painful efforts and sacrifices by all sides, it will, in the end, bring about the strengthening of a stable, democratic Bosnia and Herzegovina.

One more open issue is that of the decertified police officers. We fully support the High Representative in his efforts to resolve it and hope that progress can be made soon. Keeping an open mind is necessary and must be shown. We hope that, after the recent contacts between the team of the High Representative and the Secretariat, a solution to the issue is close. As I said, keeping an open mind is necessary. It will be good to bring closure to another outstanding question from the past and show that the international community is willing and able to act with fairness and objectivity.

Ms. Sanders (United States of America): The United States welcomes Mr. Schwarz-Schilling to the Security Council today, as well as Prime Minister Terzić. We appreciate the very important work they are doing in Bosnia and Herzegovina and, as it is so significant, we would like to offer our thoughts on the state of affairs there.

Regarding the elections and Government formation in Bosnia and Herzegovina, the United States welcomed the conduct of the 1 October elections, but we were disappointed by the level of nationalist rhetoric during the election campaign. We call on the newly elected leaders to set aside that divisive rhetoric and form a Government as soon as possible that will move forward with urgently needed political, economic, defence and rule of law reforms.

Regarding constitutional reform, Bosnia and Herzegovina has a constitution that was shaped by the necessity to end the war, not by the need for functionality, fiscal sustainability and economic and social development. Constitutional reform will be needed to accelerate progress towards the European Union (EU) and Euro-Atlantic institutions. The United States urges early adoption of the package of constitutional amendments agreed by six political parties in March. The package enjoys widespread international support and would create more functional State structures that are better able to meet the needs of the Bosnian people and Euro-Atlantic standards.

These reforms would only be first steps in a longer-term process. The United States is committed to supporting a next phase of reforms once this phase is completed.

On the transition of the Office of the High Representative, we continue to support the June 2007 timeline for closing the Office, and we welcome the EU's desire to establish an enhanced EU Special Representative mission. We believe that, after over a decade of peace implementation and State-building reforms, Bosnians are capable of assuming greater responsibility for the future of their country.

We are committed to reviewing the decision of the Peace Implementation Council Steering Board to terminate the Office of the High Representative next February to take into account the situation in Bosnia and Herzegovina and regional issues. However, we do not believe a lack of progress on reform is sufficient rationale to delay the return of sovereignty to the Bosnian people.

On police reform and EU integration, we fully support the EU and the Office of the High

Representative's engagement on police reform, and we appreciate the Office's leadership on this issue.

Signing a EU Stabilization and Association Agreement with Bosnia and Herzegovina is one of the best ways to ensure that the country continues to pursue political and other reforms necessary for a strong, stable future.

Finally, on police decertification, the United States remains committed to working with the Security Council and the Office of the High Representative to reach a solution.

Mr. Matulay (Slovakia): At the outset, allow me to join previous speakers in thanking Mr. Schwarz-Schilling for his comprehensive briefing on current developments in Bosnia and Herzegovina. On behalf of my delegation, I would also like to welcome Mr. Terzic, current Prime Minister of Bosnia and Herzegovina.

Slovakia aligns itself with the statement that will be made later this morning by Finland on behalf of the European Union (EU).

I would like to express our continued support for the High Representative and the European Union's Special Representative and his Office's engagement in their ongoing efforts to promote intercommunity trust and confidence-building, as well as deepening responsibility through gradual strengthening of local ownership. We welcome Mr. Schwarz-Schilling's proclaimed intention to be an advisor rather than an executor, although we assume that the current constitutional set-up does not make possible the immediate abandonment of the Bonn powers of the international community. We therefore believe that the implementation of constitutional amendments is vital to the phasing in of further positive developments in this regard. In this context, Slovakia supports the Peace Implementation Council's decision to close down the Office of the High Representative by the end of June 2007, and we believe that the forthcoming review will confirm that decision in February 2007.

In this connection, we think it necessary to reject any speculation that might attempt to establish a link between the current situation in Bosnia and Herzegovina and the outcome of the Kosovo future status process.

We share the assessment by the European Union and the High Representative of the peaceful and orderly conduct of the October general elections. We look forward to timely formation of the new Government and encourage all stakeholders to engage in internal political discussions in a spirit that contributes to strengthening the Euro-Atlantic perspective of the country. We emphasize the need and the advantages of direct dialogue among public representatives of entities, which could demonstrate a level of maturity of democratic institutions of the country, which is still overcoming issues deriving from its violent historical development. Nevertheless, we believe that political will and an understanding of the need to undertake reforms that are equally vital for a European perspective will prevail.

The precondition for the successful conclusion of negotiations with the European Union on the Stabilization and Association Agreement is well known: full cooperation with the International Criminal Tribunal for the Former Yugoslavia. Slovakia has taken note of a recent statement by some officials, as well as some international representatives, that there is no information to the effect that some well-known persons accused of war crimes are on the territory of the Republika Srpska.

We would like to acknowledge the need to move ahead with police reform. On the other hand, we also understand that this issue bears on the most precious achievement of peacetime in Bosnia and Herzegovina — that is, the question of the personal security of populations belonging to different entities. Therefore, we advocate a sensitive and step-by-step approach, in parallel with measures aimed at intercommunity trust and confidence-building.

Last but not least, we regret that the decertification issue still remains unresolved after almost a year of discussions. We certainly appreciate the further joint efforts of the Office of the High Representative and the relevant bodies of the United Nations Secretariat to seek a mutually acceptable solution. We continue to share and support the High Representative's view that such a solution should reflect all aspects of the issue, including its human rights perspective, in order to preserve the legacy of the International Police Task Force and the credibility of the United Nations in Bosnia and Herzegovina.

In conclusion, allow me to express our belief that the western Balkans region is in need of good news. Not less than 10 years ago, the Dayton Accords were

signed. I notice that the Russian abbreviation for Bosnia and Herzegovina is "BIG", so let us hope that the story of Bosnia and Herzegovina will indeed be a big success story for the country and for the entire region.

Slovakia, as a country historically linked to the region, wishes to confirm its readiness and willingness to continue to be a supportive partner.

Mr. Li Junhua (China) (*spoke in Chinese*): At the outset, I would like to thank the High Representative, Mr. Schwarz-Schilling, for his briefing, and I highly commend him on the efforts he has made since assuming his duties in promoting the political process in Bosnia and Herzegovina. Like previous colleagues, we welcome and thank the Chairman of the Council of Ministers, Mr. Terzić, for his statement.

China takes pleasure in seeing that, since the Dayton Peace Accord was signed 11 years ago, with the joint efforts of all parties concerned with Bosnia and Herzegovina, and with the help of the international community, Bosnia and Herzegovina has made positive efforts and achieved notable results in many areas, such as constitutional reform, institution-building, economic recovery, improvement of the judiciary system, police reform, national conciliation and the return of refugees.

The general election was successfully held in Bosnia and Herzegovina in October 2006. Furthermore, Bosnia and Herzegovina has initiated the accession process with the European Union (EU). Since assuming its responsibility for security nearly two years ago, the European Union Force in Bosnia and Herzegovina has made major contributions to the security, stability and political processes in the country. China recognizes this contribution, and we are happy to see the gradual integration of Bosnia and Herzegovina into European society.

It was not easy to achieve today's results in the political process in Bosnia and Herzegovina, and we hope that all parties concerned will doubly treasure this reality. We hope that, with the assistance of the EU and the international community, Bosnia and Herzegovina will continue to make progress in major areas, so as to establish a more mature political system and truly realize the harmonious coexistence and common development of all nationalities, with the support of the Office of the High Representative, to carry out close consultations with the authorities of Bosnia and Herzegovina and the United Nations Secretariat in seeking to settle historically inherited issues, in particular the issue of police and decertification.

China stands ready to join the international community and continues making its own efforts to help Bosnia and Herzegovina realize long-term development and stability.

Ms. Løj (Denmark): I should like to join others in welcoming the High Representative, Dr. Schwarz-Schilling, and the acting Prime Minister of Bosnia and Herzegovina, Mr. Adnan Terzić, to the Council. I thank both of them for their interesting statements on the developments on the ground in Bosnia and Herzegovina.

I would like to associate myself with the statement to be delivered later by the Permanent Representative of Finland on behalf of the European Union. I will limit myself to three brief points.

First, we are encouraged by the peaceful and orderly conduct of the elections in Bosnia and Herzegovina last month and look forward to the timely formation of a coalition Government. It is our sincere hope that this Government will pursue a genuine course of reform and thereby pave the way for the deepening of Bosnia and Herzegovina's relations with the European Union and NATO. In our view, reform is the only viable path for true progress for the people of Bosnia and Herzegovina, regardless of ethnic background.

This brings me to my second point, which is the need for further progress on internal reforms. In spite of deadlocks and occasional setbacks, Bosnia and Herzegovina has, overall, made continuous and very commendable progress since the signing of the Dayton Peace Accord almost 11 years ago. The reform of the defence forces in 2005 is a case in point of that progress. However, today two areas are particularly in urgent need of reform, namely the constitution and the police force. There has been progress in both of these areas, but constitutional reform has been stalled since April 2006 and the police reform of October 2005 has not been implemented.

It is our hope that the elections and the formation of a new Government will break the deadlock and pave the way for implementation of the reforms. If reforms are implemented and if full cooperation with the International Criminal Tribunal for the Former

Yugoslavia (ICTY) is ensured, it will hopefully contribute to new momentum and allow the conclusion of the Stabilization and Association Agreement with the European Union.

Thirdly, we support the approach taken by the High Representative to restrict the use of the Bonn powers to the extent possible, thus allowing the local authorities the greatest degree of responsibility and ownership. We appreciate that there is a fine balance between, on the one hand, using the Bonn powers proactively, and on the other hand, ensuring an appropriate gradual transfer of responsibility and political ownership to the political leaders of Bosnia and Herzegovina. We support the decision of the Peace Implementation Council in June of this year to close the Office of the High Representative by June 2007, subject to review by February 2007. The simultaneous development of the role of the European Union Special Representative is of utmost importance.

Denmark remains committed to assist as best we can, as Bosnia and Herzegovina and indeed the whole Western Balkan region further develops democracy and stability. In this regard, we lend our full support to the High Representative, Dr. Schwarz-Schilling, and the approach he has outlined. Over the last months we have seen a deadlock on important issues. We have also seen regrettable rhetoric surface during the election campaign. However, we strongly urge Bosnia and Herzegovina's newly elected leaders to look ahead and to focus on tangible progress for the people, regardless of ethnicity.

Mr. Mayoral (Argentina) (*spoke in Spanish*): First of all, we would like to welcome Mr. Christian Schwarz-Schilling, High Representative and European Union Special Representative for Bosnia and Herzegovina, and to renew the full commitment of my delegation to his important function. We would also like to welcome to the Council the Chairman of the Council of Ministers of Bosnia and Herzegovina, Mr. Adnan Terzić.

The Council is ready to again consider a reauthorization of the European Union-led peacekeeping force (EUFOR) in Bosnia and Herzegovina, enabling it to continue its operations in line with its mandate to provide deterrence, to ensure continued compliance in relation to the responsibilities specified in the General Framework Agreement for Peace and to contribute to a safe and secure environment in Bosnia and Herzegovina. In particular, we would like to emphasize EUFOR operations against organized crime and the regular EUFOR contact with the police and other law enforcement agencies, as well as its weapons collection activities, which is being done with the good cooperation on the part of the local police.

We were informed that the European Union will review EUFOR activities and will make recommendations concerning the Office of the High Representative early next year. We look forward to the opportunity to analyse that assessment.

We note with appreciation the negotiations between the European Union and Bosnia and Herzegovina on a Stabilization and Association Agreement. We are pleased to see that Bosnia and Herzegovina is on its way towards Euro-Atlantic integration, with a political and security situation that is generally stable and progressing towards the fulfilment of the conditions to advance to the level of an autonomous national State that is actively integrated in Europe. In that context, we want to point out the elections that were held on 1 October 2006, as they were the first elections fully administered by the country's authorities.

However, those achievements must not allow us to avoid consideration of pending issues. We deem it imperative to achieve as much progress in the fight against impunity as we have in other areas. We also recall that two important requirements of the Stabilization and Association Agreement that are necessary for progress include cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and the restructuring of the police. In addition, it will be necessary to achieve progress in practical terms with the agreed constitutional reform.

It is also useful to reiterate that the primary responsibility for the further implementation of the Peace Agreement lies with the authorities of Bosnia and Herzegovina themselves. We must also consider that the continued participation of the international community and major donor countries in its implementation will be determined by the full and effective implementation of the Agreement by all of the authorities and the rebuilding of civil society. That also requires a special emphasis on full cooperation with the International Criminal Tribunal for the Former Yugoslavia — including, among other issues, the

surrender for trial or apprehension of all persons indicted by the Tribunal — as well as the strengthening of joint institutions to foster the building of a fully functioning, self-sustaining State that is able to integrate itself into the European structures and also the task of facilitating the returns of refugees and displaced persons.

In conclusion, my delegation considers it necessary to resolve the issue of the non-certification of police officers. We take note of the letter of the High Representative dated 29 August 2006, and we thank him for the information regarding the options that were explored with the Department for Peacekeeping Operations in the search for a pragmatic approach to address the matter, in line with the recommendations of the October 2005 Opinion of the European Commission for Democracy through Law — the Venice Commission.

As we have stated before on other occasions, Argentina supports the unrestricted fulfilment of the Dayton Agreement and the effective implementation of its commitments, in particular, cooperation with the International Criminal Tribunal for the Former Yugoslavia. We believe that only through our joint efforts against impunity for serious human rights violations will we foster the development of judicial institutions, which will also strengthen justice and the rule of law. We urge the parties to do their utmost in that regard, which will make it possible to achieve the reconciliation needed to build the foundations for a truly sustainable society.

Nana Effah-Apenteng (Ghana): Let me join previous speakers in acknowledging the presence in the Council of Mr. Adnan Terzic, Chairman of the Council of Ministers of Bosnia and Herzegovina. I also wish to express appreciation for the report of the High Representative, Mr. Christian Schwarz-Schilling, and to commend him and his team for their positive contribution towards the achievement of lasting peace and stability in Bosnia and Herzegovina through wide-ranging reforms.

We strongly endorse the emphasis placed by the High Representative on the need for the people to assume ownership of the transformation of their own country. In that regard, we urge the various ethnic groups to cooperate in fulfilling their shared aspiration to a better life. The success of the people of Bosnia and Herzegovina will no doubt be an exemplary model for ethnically diverse societies in other parts of the world that are struggling to live harmoniously as one nation.

We are equally mindful of the unique and invaluable contribution being made by the European Union (EU), NATO and others that are supporting the implementation of the Peace Agreement on Bosnia and Herzegovina, alongside the EU Stabilization and Association Agreement. We believe that the two Agreements embody a viable international strategy for overcoming the ethnic and political divisions that continue to impede the progress of Bosnia and Herzegovina and threaten its stability. We urge the parties to strive to transcend their narrow nationalist aspirations in order to benefit from broader Euro-Atlantic integration. It is regrettable, in that regard, that the proposed constitutional amendments were defeated by the Parliament, albeit by a narrow margin.

The inflammatory rhetoric and the marked polarization that followed the rejection of the constitutional amendments clearly show that the people of Bosnia and Herzegovina have no viable alternative to the proposed reforms, which will affect every sector of national life. We hope that, in the coming months, the High Representative, together with the federal and local authorities, will be able to accelerate the pace of reform with regard to education, the national economy, the security sector and related social issues.

In that connection, we urge the leaders of the Republika Srpska to pursue their interests through negotiation so as not to undermine the unity and stability of the country, which remains fragile. In particular, we urge them to accept the reform of the police, within the framework of a broader national agenda aimed at bridging the ethnic divide by building confidence in State institutions. It is only through rigorous implementation of the police sector reforms that organized crime can be successfully eradicated.

At the same time, we call for the establishment of an investigative commission to determine the fate of the missing civilians of Sarajevo who were victims of the war. The resolution of that matter, which is necessary for confidence-building, seems long overdue. Closely related to that issue is the question of the return of refugees and displaced persons.

We commend the High Representative for the tremendous progress that has been made in that area, as a result of which responsibility has been handed over to the domestic authorities, in accordance with the

General Framework Agreement for Peace. Nonetheless, problems still persist. We hope that they can be resolved with the necessary determination and external support.

Once again, we call on the leadership of the Republika Srpska to cooperate with the Human Rights Chamber in determining the whereabouts of Colonel Aydo Palic.

We believe that much effort has gone into establishing the institutions and mechanisms required for Bosnia and Herzegovina to function as a democratic State based on the rule of law. International support has not been lacking. It is up to the people to put the past behind them and to seize the moment in order to transform their society for the benefit of all.

Mr. Manongi (United Republic of Tanzania): We, too, would like to welcome the Prime Minister of Bosnia and Herzegovina and to thank him for his presence here. We also wish to thank the High Representative for his briefing and for his effort and dedication in advancing the peace process in Bosnia and Herzegovina.

We are concerned that the progress made during the first half of the year in the negotiations on the Stabilization and Association Agreement is in danger of suffering a setback owing to the decision of the Republika Srpska to reduce its presence to observer status. We urge all parties to participate fully in the negotiations and to comply with the requirements of the European Commission, including by restructuring the police, developing a legislative framework and administrative capacity, instituting reforms in public broadcasting and fully cooperating with the International Criminal Tribunal for the Former Yugoslavia (ICTY). We are equally concerned by the pronouncements made by the new Premier of the Republika Srpska regarding a possible secession and the month-long boycott of the Parliamentary Assembly by its delegates. Those are matters that cannot be taken lightly.

On a positive note, we are pleased to note that in October 2006, Bosnia and Herzegovina held its first election that was fully administered by the country's authorities, with the initial results showing a move away from nationalist parties. We are also encouraged by the advances made in the economy, which has recorded growth that is among the highest in the region.

We commend Bosnia and Herzegovina for having made tremendous progress in defence reforms. That progress has enabled the country to have one Minister of Defence, one Chief of Staff, one chain of command and one army. We also commend the High Representative and NATO for their full involvement in those reforms and for helping Bosnia and Herzegovina to achieve them. It is also gratifying to note that progress in intelligence reforms has continued as a result of the High Representative's efforts to oversee the process and of the financial assistance of the Norwegian Government.

The High Representative's report notes that the number of returnees has grown smaller owing to factors ranging from a lack of housing to a lack of schools and employment. We call for more concerted efforts to enable refugees who wish to return to Bosnia and Herzegovina to do so with the assurance of a decent livelihood in their homeland.

We condemn the violence that occurred in the streets of Mostar on 13 June following the World Cup football match between Croatia and Brazil, which caused dozens of injuries and damage to property. The High Representative rightly states in his report that in a city like Mostar, such an incident may go further than simple football hooliganism and may be used by religious and political leaders to incite more violence.

We believe that, as the drawdown of the Office of the High Representative comes to a close in June 2007, it is advisable for the authorities in Bosnia and Herzegovina to enhance their efforts to implement the remaining reforms — especially cooperating with the ICTY by handing over the remaining indictees and forging closer and cordial relations with all the country's neighbours.

Finally, we wish to express our support for the High Representative, the European Union Force and the people of Bosnia and Herzegovina in the months to come as they strive to make the final transition to a viable and vibrant democracy, leaving behind the legacy of war.

Mr. Lacroix (France) (*spoke in French*): At the outset, my delegation, too, would like to thank Mr. Schwarz-Schilling for his briefing and to commend him for the work he has accomplished as High Representative and European Union Special Representative in Bosnia and Herzegovina. I also wish to welcome the presence of Mr. Adnan Terzic,

Chairman of the Council of Ministers of Bosnia and Herzegovina.

The Permanent Representative of Finland will shortly make a statement on behalf of the European Union, with which my delegation fully associates itself. For my part, I should like to make a few brief comments.

More than 10 years after the signing of the Peace Accords, Bosnia and Herzegovina has made significant progress towards becoming a stable and democratic State that embraces the values and norms of Europe. The general elections that have just taken place in satisfactory conditions testify to that positive development. We await the formation of a new Government that will have to work on moving closer to the European Union.

It is unfortunate, however, that the period preceding the elections was marked by a return of nationalist rhetoric and by the stalling of crucial reforms. To date, none of the reforms that were cited as priorities by the High Representative in his speech to Parliament in May have been adopted.

Those reforms must now be relaunched in order to strengthen the central State and to delay no further the modernization of Bosnia and Herzegovina. The country's European perspective must be formalized by the signing of a Stabilization and Association Agreement with the European Union. That can take place only when police and public broadcasting reform has been implemented. That is why we expect from the new central authorities of Bosnia and the entities a strong commitment to the reforms that are also expected by the people of Bosnia and Herzegovina and that made little progress in 2006.

Moreover, efforts to cooperate fully with the International Tribunal for the Former Yugoslavia must be continued and stepped up. The arrest and transfer to The Hague Tribunal of all indictees still at large is essential to fulfilling Bosnia and Herzegovina's international obligations and to completing the critical reconciliation process.

The lasting stabilization of Bosnia and Herzegovina requires the strengthening of its institutions. The discussions on constitutional reform have made significant progress, leading to the agreement of 18 March. We offer our support to the High Representative and to the other members of the international community concerned in order to reactivate that reform, which all the political parties of the countries must endorse.

The High Representative raised the question of the decertification of Bosnian police officers by the International Police Task Force. We agree fully with his approach. A solution must be found in order to settle the matter in accordance with international legal standards, in conjunction with the authorities of Bosnia and Herzegovina.

Our goal is to move towards the gradual dismantling of international protection, accompanied by the transfer of competences to the Bosnian authorities. That must take account of the evolution of the situation in Bosnian and the region. While the function of High Representative will expire, that of the European Union Special Representative will remain to play an important support and advisory role to the authorities of Bosnia and Herzegovina, and to coordinate European action.

Lastly, given the prevailing uncertainties concerning the country's future and the regional environment, we feel it necessary to maintain an international military presence. To that end, the Security Council will have to adopt a resolution to renew the mandate of the European Union Force in Bosnia and Herzegovina, which will expire on 21 November.

Mr. Al-Bader (Qatar) (*spoke in Arabic*): At the outset, I welcome Mr. Christian Schwarz-Schilling, High Representative of the Secretary-General and European Union Special Representative for Bosnia and Herzegovina, and thank him for his briefing to the Council.

We also appreciate the objective, set by his Office since he assumed his position early this year, to transform the role of the assistance offered to Bosnia and Herzegovina and to consolidate the country's transformation into a democratic and peaceful European State.

We also welcome the Chairman of the Council of Ministers of Bosnia and Herzegovina, who is here with us today.

Ten years after the signature of the Dayton Peace Accords, and following the great progress made in their implementation, the time has come for that former Yugoslav republic to enter into a new phase as a viable

European country based on modern and democratic reform. In that regard, on 23 June the Peace Implementation Council decided to close the Office of the High Representative and to replace it in July 2007 by the European Union Special Representative.

If the Peace Accords are to continue to be implemented, it will be necessary for all Bosnian parties to cooperate fully with all of the entities in order to achieve a peaceful compromise based on the Accords. It is therefore up to the local authorities to strive to keep the situation under control by making the necessary reforms. The international community has a cohesive management role to play in that regard. Cooperation with the International Criminal Tribunal for the Former Yugoslavia is also necessary for the capture of indictees who remain at large and for bringing them to justice. That is the only area of the Dayton Peace Accords in which there has been no progress. At the same time, pending regional issues — such as the issue of the borders, the dissolution of the union of Serbia and Montenegro and the uncertain future of the situation in Kosovo — should not influence the political discussions taking place in Bosnia and Herzegovina.

There have been many positive developments of late, including the success of the presidential elections, defence sector reform, the transfer of certain aspects of defence from the police to the State, reform of the intelligence apparatus, the strengthening of the rule of law, high economic growth and the adoption and implementation of a comprehensive action plan for public administration reform.

Among those priority issues that must be resolved in the next phase is the unification of Mostar based on its statute and finding a long-term political solution to the problem that is poisoning relations between the State and the people of Brcko. The matter of the return of refugees must also be resolved in order to achieve lasting peace.

We believe that the commitment of the European Union and NATO will be necessary in the next phase because the European Union Force in Bosnia and Herzegovina and NATO have made an essential contribution to the strengthening of peace and the maintenance of the overall stability of the military elements, the Peace Implementation Council and other critical entities. We believe that States that participated in the multinational Stabilization Force and NATO deserve our full praise and respect.

Mr. Shinyo (Japan): At the outset, I would like to thank Mr. Schwarz-Schilling for his comprehensive and valuable briefing concerning the latest developments in Bosnia and Herzegovina.

I also thank Mr. Adnan Terzić, Chairman of the Council of Ministers of Bosnia and Herzegovina, for his valuable statement.

Japan, as one of the major contributors to the peacebuilding process in Bosnia and Herzegovina, takes this opportunity to express its continuing commitment to assisting the reform efforts of Bosnia and Herzegovina and its full support for the work of the High Representative.

First, let me welcome the successful holding of the national and entity-level elections on 1 October. The election was conducted generally in line with international standards for democratic elections, and in a peaceful manner. As the country moves toward the expected closure of the Office of the High Representative, that election represents the first time for Bosnia and Herzegovina to elect its own sovereign leaders since the end of the armed conflict. In that light, it is highly commendable that the authorities of Bosnia and Herzegovina conducted that important election entirely by themselves. Going forward, we encourage the leaders of all political parties to work together in order to form a new Government as early as possible and to tackle the remaining reforms, including constitutional reform.

Bosnia and Herzegovina is now making the transition from post-conflict reconstruction to consolidating stability and prosperity through participation in the Euro-Atlantic community. The signing of a Stabilization and Association Agreement with the European Union (EU) will be the first step in that process. However, much still remains to be done, particularly on the tasks which the EU has set as priorities for European partnership: full cooperation with the International Criminal Tribunal for the Former Yugoslavia, police reform, public broadcasting reform and other requirements. We call upon the leaders of Bosnia and Herzegovina to exert maximum efforts to make concrete and rapid progress in those areas, for the early signing of a Stabilization and Association Agreement.

As the country moves towards independence, we appreciate the intention of the High Representative to respect and cultivate the ownership of Bosnia and Herzegovina, and therefore support his plan to close the Office of the High Representative by the end of June 2007. At the same time, Japan also welcomes the decision by the European Union to strengthen the Office of the EU Special Representative, so as to enable it to provide a continued international presence upon the termination of the activities of the Office of the High Representative.

Although Japan remains concerned about the recent exchanges of ethnic rhetoric, which have continued to intensify throughout the period of election campaigning, we reiterate our call for the leaders of Bosnia and Herzegovina to take the necessary actions to gain the confidence of the international community, and thereby to advance the European integration process.

Ms. Pierce (United Kingdom): Allow me to add the United Kingdom's voice to those of colleagues welcoming Mr. Schwarz-Schilling today and thanking him for everything he has done in Bosnia. The United Kingdom has long been a supporter of Bosnia and is very proud to count itself as a friend of that country. It is especially gratifying to welcome Prime Minister Terzić to the Council, and to hear his account of what has been achieved in Bosnia under his stewardship.

I think there is much to be proud of in Bosnia in the years since Dayton. The Office of the High Representative, the Bosnian authorities and the international community provided the common identity of purpose since Dayton that has brought about success. There is a lot to be proud of there. I think it is all the more disappointing, therefore, that we still see in some of Bosnia's leaders — in particular in Republika Srpska — a harking back to the days of division and discord. Their efforts to align themselves with certain leaders in Belgrade to spoil the prospects for Bosnia's future in Europe is extremely disappointing. We appeal to all those leaders to refrain from such actions and to take their responsibilities to build not just a stable and prosperous Bosnia but also to do everything possible to put Bosnia on an irreversible course towards Euro-Atlantic institutions. That is not to say that we must not recognize that everybody has a responsibility to build one nation in Bosnia based on the equality of all its people and on reconciliation with justice.

We thank the High Representative for his report. We agree with him that local ownership must remain the overall objective of the international community. But we also believe that it is important to strike a balance. It is right that the international community should encourage Bosnian politicians to take responsibility. But in doing so we have to ensure that the key reform processes do not stagnate and that those leaders and sections of each community that want to spoil Bosnia's prospects have no opportunity to do so. Continued international support and engagement will be especially important as we try to develop momentum behind the reform processes.

Geoff Hoon, the British Minister for Europe, visited Sarajevo yesterday. He said what many members of the Council have said today, that progress on the reform agenda this year has been disappointing. We were very pleased, under the United Kingdom presidency, to open stabilization and association negotiations with the European Union. It is disappointing that the political priorities have not been satisfied. The lack of progress on police reform remains a matter of particular concern for us, as it did for many members around this table. More also has to be done to demonstrate full cooperation with the International Criminal Tribunal for the Former Yugoslavia. A number of speakers drew attention to that very eloquently, and I would like to support what they have said. The stance of Republika Srpska is going to be absolutely critical in both contexts.

We also heard from many speakers today about constitutional reform. It is not a condition for the stabilization and association agreement, but it is extremely important. The April package may not satisfy everyone, but it does provide an important first step in a more gradual process. As Mr. Schwarz-Schilling said, Dayton stopped a war; it has a constitution that brought an end to that conflict. But it is time for that to evolve and enable Bosnia to join other countries in the Balkans in getting closer to the European Union and to NATO. We therefore hope that as the political parties now work to build governing coalitions, they pay due attention to those priorities.

A number of speakers drew attention to the preparations for the closure of the Office of the High Representative. We too see that as the only way to overcome the culture of political dependence that has developed in Bosnia. On that basis, it remains our preference that the closure go ahead next June, pending

final review and confirmation by the Peace Implementation Council in February 2007.

We also welcome the High Representative's efforts towards finding a solution regarding the issue of decertification. We look forward to seeing the matter resolved, but it is important that a review does not cut across the provisions of the presidential statement of June 2004.

A number of speakers mentioned the European Union-led peacekeeping force (EUFOR). Many nations around this table today are kind enough to provide contingents to EUFOR, which has done an extremely good job in handling dramatic improvements in the situation in Bosnia on the security side. We have also seen very welcome evidence from the Bosnian authorities of their ability to handle public disorder. We therefore support the EU operational commander's conclusion that the time has come to reconsider the size of EUFOR and the nature of its presence. That is an important part of the gradual process towards normalization.

I would like to conclude, if I may, by just picking up on the point of Kosovo, which a number of speakers have raised. We have noted that some in Bosnia are attempting to make a link between the future of Republika Srpska and the future of Kosovo. We would like to take this opportunity to state very clearly that Republika Srpska is part of the Dayton settlement and part of Bosnia. That settlement and that constitutional framework have to remain. There is no link between the future of Republika Srpska and the future of Kosovo. We are confident that the Council will take every opportunity to repudiate those who try to exploit one.

Mr. Gayama (Congo) (*spoke in French*): My delegation would like to thank Mr. Schwarz-Schilling, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for the briefing he has given us setting out the progress made in the implementation of the goals contained in his previous report, as well as regarding developments in the first sixth months of this year. We would like also to welcome the presence of the Prime Minister, Adnan Terzić, who has shared his country's expectations vis-a-vis the international community.

Generally speaking, there have been several encouraging signs, including the political progress made by the parties, which took concrete form on 18 March 2006 when six party leaders signed an agreement requesting the President and the Parliamentary Assembly to enact a series of constitutional changes. Indeed, at a time of international disengagement, constitutional reform is of critical importance for future developments.

However, our optimism is tempered given the existence of sources of concern. I would note in particular the rejection by the parliament on 26 April of a number of proposed reforms. That rejection led to tensions that have cast a shadow over the political debate. Some actors in Republika Srpska went as far as to use the 21 May referendum on the independence of Montenegro to demand the right to hold a referendum on the future of Republika Srpska. A number of Bosnian politicians understandably became quite upset at that prospect. We fully endorse the stance taken by the High Representative aimed at dissuading the Prime Minister of Republika Srpska, Mr. Dodic, from taking a path that cannot lead to a positive outcome.

We believe also that the victory achieved by the moderates in the general elections held on 1 October 2006 represents a stabilizing factor. However, while advances have been made in many areas, particularly in the economic field — despite the ongoing unemployment problem — with the adoption by the Council of Ministers of a plan of action aimed at addressing priority issues within the framework of a European partnership, many questions remain unresolved. In that respect, I would note that the preconditions set by the European Commission — reorganization of the police, public broadcasting reform and full cooperation with the ICTY — have not been met.

The arrest of fugitives remains of critical importance, not only in terms of integration into the European Union but also in the context of the combat against impunity and of the administration of justice — which are the legitimate aspirations of the many victims of past ethnic conflicts.

My delegation hopes that, with a view to the achievement of social harmony and thus of greater political stability, account will be taken of the appeal made earlier by the High Representative for a settlement of the issue of the decertification of police officers.

In conclusion, my delegation welcomes the efforts made by the international community, the

European Union and NATO in particular in the transition process, and we believe that, despite the upcoming reduction in their military presence and the closing of the Office of the High Representative, international assistance remains necessary for stabilization and peacebuilding in Bosnia and Herzegovina.

The region in which that country is located has in the past few years been a determining factor in the level of peace and security enjoyed by many peoples. It is a microcosm of the development of multilateralism, which can only benefit from the smooth management of the situation in that country — a situation whose importance transcends the borders of the countries of the former Yugoslavia.

The President (*spoke in Spanish*): I shall now make a statement in my capacity as representative of Peru.

At the outset, I should like to join other delegations in thanking the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, Mr. Christian Schwarz-Schilling, for his detailed briefing on the situation in that country. We would like also to welcome Mr. Adnan Terzić, Chairman of the Council of Ministers of Bosnia and Herzegovina.

Peru would like to reiterate its satisfaction at the progress that has been achieved in Bosnia and Herzegovina. The current situation shows that it has made significant advances towards stabilization. We welcome in particular the holding on 1 October last of the first general elections in Bosnia and Herzegovina. For the first time since the signing of the Dayton peace agreements in 1995, those elections were organized and carried out entirely by local authorities. This is a fresh step towards the consolidation of democracy and the rule of law, and it reaffirms the political commitment and the positive efforts made by the authorities and the people of Bosnia and Herzegovina to finalize the building of their democratic institutions.

It is also clear that the general security situation has remained stable, as stated in the most recent report of the Secretary-General and High Representative for the Common Foreign and Security Policy of the European Union on the activities of the military mission in Bosnia and Herzegovina. We understand that, as the country has moved towards normalization, EUFOR has likewise shifted from a role of deterrence to one of confidence-building. Nonetheless, as pointed out in the report of the High Representative of the Secretary-General for the Implementation of the Peace Agreement on Bosnia and Herzegovina, a EUFOR presence is still deemed essential for the maintenance of overall stability.

We expect that in the coming months further progress will be made with respect to other issues so as to pave the way for Bosnia and Herzegovina's full normalization and Euro-Atlantic integration. Particular attention should be devoted to questions related to police restructuring and to full cooperation with the International Criminal Tribunal for the former Yugoslavia. By the same token, it is important to continue with reform of the economy, which, in the final analysis, is the basis of the country's viability. Mr. Schwarz-Schilling noted in his report his concern at the rise in public spending, which is having an impact on the pace of reform efforts. He also highlighted the lack of progress on education reform.

In conclusion, we call on the authorities of Bosnia and Herzegovina to address these pending issues, so as to stay on track with the very commendable progress that they have made since the signing of the Peace Agreements.

I now resume my functions as President of the Council.

I call on the representative of Finland.

Ms. Lintonen (Finland): I have the honour to address the Security Council on behalf of the European Union (EU).

The following countries — Bulgaria, Romania, Turkey, Croatia, the former Yugoslav Republic of Macedonia, Norway, Ukraine and the Republic of Moldova — align themselves with this statement.

I would like to thank the High Representative and the EU Special Representative, Mr. Christian Schwarz-Schilling, for his comprehensive presentation on developments in Bosnia and Herzegovina, as well as for his first periodic report to the Security Council. The European Union welcomes the approach taken by Mr. Schwarz-Schilling's Office of offering advice and support to the national authorities rather than acting on their behalf. Strengthening local ownership is essential in the transition from stabilization to EU integration.

This year has been crucial for Bosnia and Herzegovina in many ways. The EU is pleased with the peaceful and orderly conduct of the October general elections and looks forward to the timely formation of the new Government. The EU is ready to work with any coalition genuinely engaged in advancing the reforms that Bosnia and Herzegovina needs for its EU rapprochement.

The first negotiation round of the Stabilization and Association Agreement was held in January. At that time, we anticipated that the negotiations could be concluded by the end of the year. Unfortunately, the situation now seems different. While we are glad to note that Bosnia and Herzegovina has made progress on the negotiations at the technical level, we regret that many key reforms — in particular police reform — have been delayed in 2006.

The EU has made it clear that the implementation of police reform, based on the Agreement on Police Restructuring of October 2005, is an indispensable condition for concluding negotiations on the Stabilization and Association Agreement. We expect that the European perspective will encourage all parties in Bosnia and Herzegovina to work together in order to overcome this obstacle as soon as possible.

The conclusion of negotiations will also depend on Bosnia and Herzegovina's cooperation with the International Criminal Tribunal for the Former Yugoslavia. More decisive action, notably by the authorities in Republika Srpska, and cooperation with neighbouring countries, are needed in order to arrest and transfer to The Hague those indictees still at large.

The European Commission is publishing its regular progress report on Bosnia and Herzegovina today, 8 November. The report will give a comprehensive assessment of Bosnia and Herzegovina's pace on its European path. The EU will continue to provide financial assistance to Bosnia and Herzegovina on its European course through the Instrument for Pre-accession Assistance, which enters into force at the beginning of 2007 and will provide almost €11.5 billion for the western Balkan countries and Turkey over the next seven years.

In spring, Bosnia and Herzegovina was proceeding well in its constitutional reform process. Regrettably, the progress has stalled. While reform is not a precondition for a Stabilization and Association Agreement, it is clear that Bosnia and Herzegovina needs more functional and sustainable State structures that are better prepared for EU integration. Constitutional reform is therefore essential for the future of the country. The European Union is ready to assist Bosnia and Herzegovina in this important effort.

The EU, which is already providing a framework of stability to the country with two European security and defence policy missions — EUFOR-Althea and the European Union Police Mission — indicated in May its readiness in principle to reinforce the Union's engagement in Bosnia and Herzegovina in the context of the envisaged closure of the Office of the High Representative. The EU Secretary-General and High Representative, Javier Solana, and the EU Commissioner for Enlargement, Mr. Olli Rehn, prepared in early October a joint report on the reinforced role of the European Union in Bosnia and Herzegovina. That report was welcomed by EU Foreign Ministers on 17 October and serves as the basis for further work within the EU.

The Peace Implementation Council's June decision to close down the Office of the High Representative by 30 June 2007, and the forthcoming review and confirmation of this decision in February 2007, will be taken into account in the EU's planning process and action on this matter.

The EU fully supports Bosnia and Herzegovina's EU perspective. It is important that it is also visible in the lives of the citizens of Bosnia and Herzegovina. To that end, the EU will soon start negotiations on visa facilitation with Bosnia and Herzegovina in order to facilitate travel to European Union member States. Negotiations on the readmission agreement will be conducted in parallel. It is important that Bosnia and Herzegovina does its utmost to implement reforms in the field of justice and home affairs, which are necessary for the success of negotiations.

The President (*spoke in Spanish*): I give the floor to Mr. Schwarz-Schilling to respond to comments made and questions raised.

Mr. Schwarz-Schilling: First, I would like to thank all delegations and nations represented around this table for their thorough advice and for having studied the real situation of the country. I was really surprised by the detailed knowledge shown here. It has given me the impression that close attention is being paid to everything going on in Bosnia and Herzegovina. I therefore thank you very much, because

sometimes I have the feeling that increasingly the focus is on other areas, and that the real problems of the Balkans area — and perhaps specifically, now, of Bosnia and Herzegovina — are being neglected.

I thank the Council for its understanding of the approach that I have taken, in the context of my mandate, to enable local politicians to exercise ownership, and to give them the chance really to exercise it in good time, before the Office of the High Representative closes. How will we assess the exercise if we have not provided that opportunity? I think it was good to see that, and also to get our own experience in that respect.

I am very glad that it is also understood that some basic reforms are necessary for the gradual normalization of the country. I want to mention the question of educational reform, broadcasting reform and police reform — which is particularly important, because entity questions are already being raised in that respect — as well as constitutional reform. Considerable attention and help from the international community will be necessary. This is particularly important, because we know that police reform is one of the basic preconditions for the signing of the Stabilization and Association Agreement.

I also think that some strong words need to be used to tell those people — those politicians — who are boycotting this what they are doing to the whole country. The signing of the Stabilization and Association Agreement is particularly necessary to pave the way for the next gradual approach and the possibility of normalization presented by reforms.

The same is true for constitutional reform. There, of course, we have the very difficult situation of how to combine the rules of democracy by majority rule on the one hand, with, on the other, the equality of three constituent peoples, who have a lot of veto opportunities under the Dayton constitution. How do we unblock the situation? It is very difficult to move towards a mechanism whereby vetoes and majority votes lead to a situation in which the decision-making of the State and the institutions of the State come together. And I must say that we should not blame only the politicians in that respect; we must also think about that very carefully, to see how to give the best advice in this regard.

I only hope that, after the formation of the Government and the negotiations of the coalitions, they see that this is one of the basic points, because there is growing nervousness among the population of the country that tells me that the Office of the High Representative should not be allowed to go as long as there is no other de-blocking institutions in our country. So we have to think and to see whether this is on track, and we have to make our final assessment with great attention to the whole atmosphere created by this situation.

I just wish to thank the Council for the many ideas coming to me because of the statements I have heard. I thank the Council very much for the careful comments, especially from Finland, stating on behalf of the European Union the need for the mandate of the EU Special Representative to bring forward the whole situation of transition, and pointing out that it is not a matter of the departure of the Office of the High Representative but making more visible the European presence in the country, because that increases the belief and the trust in the integration of Euro-Atlantic institutions.

It was very useful for me to learn from the comments of the Council, which I very much appreciate. I found that my report was not too diplomatic, as the Prime Minister meant that I would not say the things as they are. I think the answers of all have shown that they could understand very well what I meant, so I thank you very much for your comments.

The President (*spoke in Spanish*): I wish to thank Mr. Schwarz-Schilling for the clarifications and additional comments.

There are no further speakers inscribed on my list. The Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 12.25 p.m.